THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) Yes Sir.

(b) The shortfall is on account of sluggish growth in imports during the period April-May, 2001.

(c) All possible steps are being taken to augment the customs revenue. These include plugging leakage of revenue on account of undervaluation or commercial frauds, expediting disposal of confiscated or uncleared cargo, expediting finalisation of provisional assessments, expediting pending adjudications and appeals etc.

Slump in economy

252. SHRI J. CHITHARANJAN:
SHRI V. V. RAGHAVAN:

Will the Minister of FINANCE be pleased to state:

(a) whether there has been slump in the economy during the first quarter of the current financial year;

(b) if so, the details of the indicators showing the slump and the reasons therefor; and

(c) the corrective measures being chalked out to improve the position?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) to (c) Quarterly estimates of Gross Domestic Product (GDP) for the first quarter (April-June) of the current financial year are due to be released only by end September, 2001. However, the data on industrial growth based on the Index of Industrial Production shows that overall industrial growth during April-May, 2001 was only 2.6 per cent as against 6.2 per cent in the same period of 2000. The reasons for industrial slow down among others include lower agricultural production, unsatisfactory performance of capital goods and intermediate sectors, economic slow down in some of the major markets for Indian exports etc. The trends in the economy are closely monitored and under constant review and appropriate measures taken in the light of emerging trends as and when necessary. The measures

to promote and achieve higher growth as announced in the Union Budget 2001-02 *inter alia* include speeding up of agricultural reforms; intensification of infrastructure investment, continued reform in the financial sector and capital markets, and deepening of structural reforms; human development through better educational opportunities and programmes of social security; improvement in the quality of Government expenditure; acceleration of privatisation process and restructuring of public enterprises etc. Policy initiative announced in the Budget are expected to have a favourable impact on growth during the current year.

Enquiries pending against M/s. U.B. Group

253. SHRI DILIP SINGH JUDEV:
SHRI RAJU PARMAR:

Will the Minister of FINANCE be pleased to refer to the answer to Unstarred Question 67 given in the Rajya Sabha on 20th February, 2001 and state:

(a) whether Government propose to mobilise other channels for completion of pending enquiries, in regard to violation of FERA, initiated in U.K. and also direct the U.B. Group to furnish all the relevant information required by the Enforcement Directorate without any excuse;

(b) whether Government have since examined the available evidence and material;

(c) if so, the outcome thereof;

(d) if the answer to part (b) above be in the negative, the reasons for delay; and

(e) by when, the investigations are likely to be completed?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) The inquiries into allegations of FERA violation by M/s U.B. Group have since been completed.

(b) The available evidence and material have been examined by the Directorate of Enforcement.